

EOI Reference

1. Background of DCSI

The Department of Cottage & Small Industry (DCSI) was established under the Ministry of Economic Affairs (MOEA) in July 2010. Guided by the philosophy of Gross National Happiness, DCSI is the premier agency promoting growth of a vibrant and sustainable CSIs contributing to the overall socio-economic development of the country. It is mandated to create an enabling environment to facilitate and support sustainable growth and development of CSIs for equitable income distribution, employment generation and balanced regional development.

2. Background of CSI Market

According to the Enterprise Survey Report 2010, it was pointed out that “Access to Market” was one of the constraints faced by enterprises during establishment and operation. Notably, limited infrastructure (market outlet and land) and transportation has been the major challenges faced by CSIs. The CSIs is identified as one of the jewels for economic development. However, not much has been achieved in terms of marketing of CSI products, be it domestic or outside. Thus, during the 12 FYP under the Flagship Program, the department will establish a dedicated CSI market place at Changzamtog Service Center, Thimphu to market CSI products in particular. The primary aim of such establishment is to promote CSI products in the market (both domestic market as well as for visiting tourists); to have a dedicated and permanent space to CSI products with proper management & operation, and to improve competitiveness of CSI products through quality, standard, image and branding.

3. Operation Modality of CSI Market

The CSI Market will be operated by a Private Party to be contracted by DCSI through open competition. A group of entrepreneurial will manage the operation and management of the CSI Market.

DCSI will be the nodal agency to oversee the operation of this establishment and will ensure that regulatory compliance is met at all times. The CSI Market will operate on the following principles:

- Non-exclusivity arrangement
- Strict adherence to rules on brand usage and application(i.e. Made in Bhutan! brand ownership remains with DCSI)
- Adoption of strict criteria for selection of companies and products
- Fair pricing and payment policy
- Regular inventory and data reporting

DCSI will be responsible for the product approval, however, the contract supply agreements will be between the Operator and the individual entrepreneur/business. The individual contracts will spell out details of the sale arrangement including pricing policy, quality and quantity assurance among others and renewal terms and conditions.

Vision: To become one-stop shop for all Made in Bhutan items.

Mission:

- To provide easy market access for Made in Bhutan items.
- To provide a platform and support for continuous product development and improvement
- To enhance the sales of small businesses and individual entrepreneurs by linking to the potential market.
- To connect various CSIs and businesses through industrial linkages.
- To search for markets outside Bhutan for export of Made in Bhutan products.

4. Products to be sold through CSI Market

4.1 Product Types

In order to live by the name of the establishment, all products that fulfil the following criteria are welcome to be sold at the CSI Market;

- i. Is manufactured inside Bhutan (Example: a candle) or
- ii. Is a produce of Bhutan with some value addition (Example: garlic powder)

Therefore, the following is a tentative broad list for the products;

- i. Food/Edible and Beverages Items
- ii. Gifts/ Souvenir Items
- iii. Cloth items/ Fashion Items
- iv. Art and Creative Works and Items

Note: The above list is only indicative and prospective entrepreneurs who wish to sell through the CSI Market are welcomed with other products not covered above. It is however, preferred that those items that have better market access through other channels such as Craft Bazaar in Thimphu are not sold through the CSI Market to avoid unwarranted competition and damage to the Craft Bazaar/ Handicraft Business.

4.2 Product Criteria for Selection

The general criteria for product selection are prescribed below;

- i. Is a unique product with majority of raw materials from Bhutan
- ii. Is well packaged/ has appealing presentation
- iii. Has issues with market access
- iv. Fulfills safety requirements for consumption (if applicable)

However, depending upon the response from various entrepreneurs and business units, the Product Selection Committee (PSC) may recommend one of the following since there is limited space availability;

- i. Product is not unique
- ii. Product has poor presentation/ packaging
- iii. Product has other market access
- iv. Product does not meet safety requirements (for edible items)

Incase the products are not approved during a submission, the entrepreneur/business are allowed to resubmit the product by incorporating the changes desired by the PSC.

Further, the approval by PSC does not guarantee full time sales through the CSI Market. The Operator will periodically review the products and submit the records of saleability of the particular product to the PSC who may then depending upon the marketing strategy of the CSI Market recommend for the product to be removed from the CSI Market so that the overall quality of the products is maintained.

4.3 Business/Entrepreneur Criteria

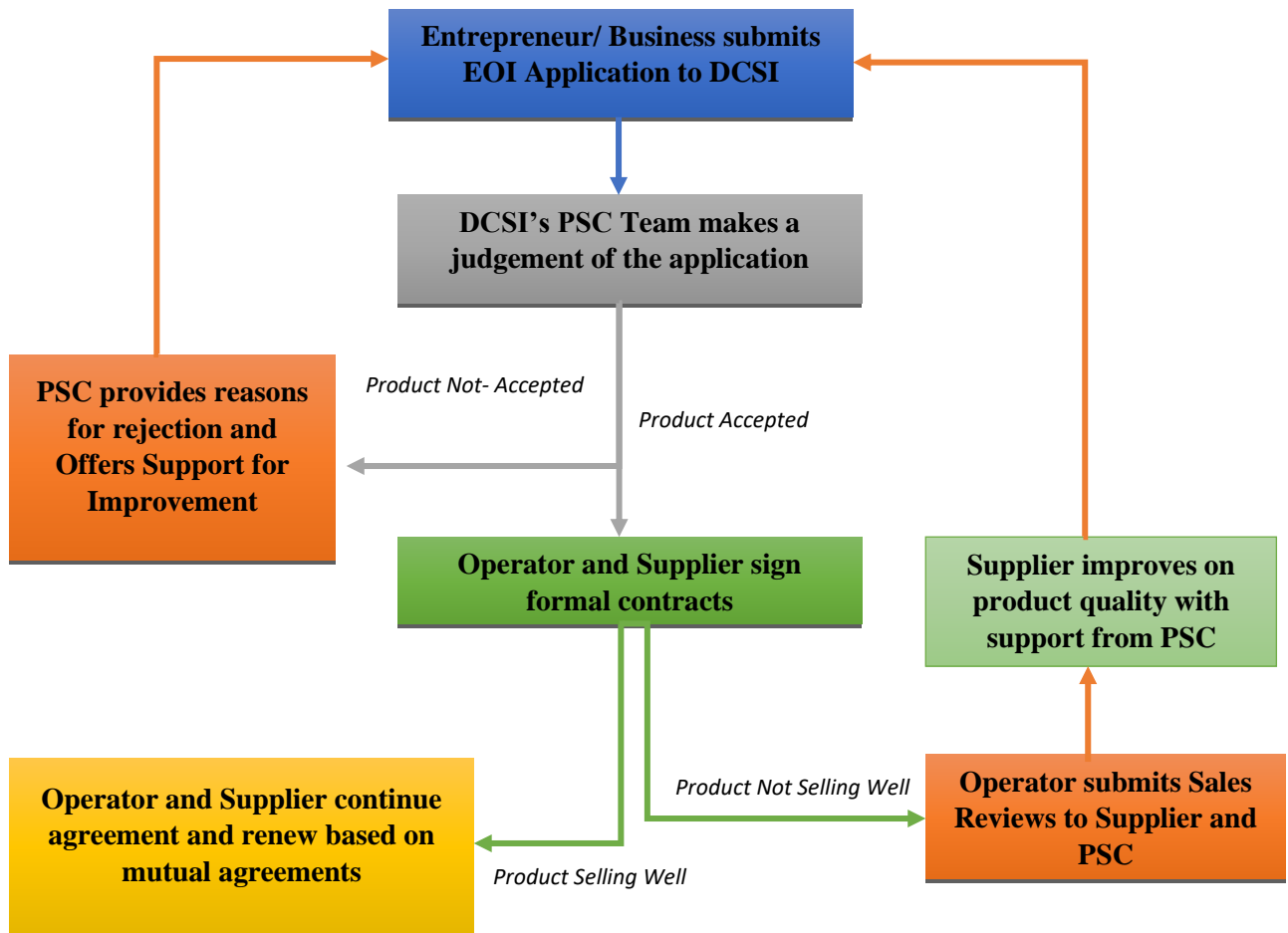
The idea is that the CSI Market itself will function as an institution for product improvement and will require that entrepreneurs/business improve their product to be sold through the CSI Market.

Therefore, it is required that the interested entrepreneurs/business are;

- i. Highly innovative, adapting to evolving market preferences and aspires to compete with the best in the world.
- ii. Actively engage in product development and work with PSC.
- iii. Commit to attend the training programs required by the organizers

- iv. Commit to respect the brand integrity of Made in Bhutan and comply with branding rules
- v. Ensure a pricing policy that is fair and advantageous to both its suppliers and consumers

5. Flow Chart for Selling through CSI Market



FORMS FOR PRODUCT REGISTRATION

There are two Forms as follows. Kindly fill the details in the appropriate Forms:

1. Form A- Details of the Business
2. Form B- Product Details Form (Use one form for each products)

FORM A- BUSINESS DETAILS

COMPANY PROFILE	
Name of the Business:	
Name of the Proprietor :	
CID No:	
Licence no: (if Yes, provide the number)	
Business Location(location, Gewog, Dzongkhag)	
Mobile No:	
Telephone No.	
E-mail Address:	
No. of Regular Workers:	
No. of Part Time Workers:	

TYPE OF BUSINESS	
Year of Establishment / No. of Years in Business	
Legal Status <i>(please check appropriate boxes and TICK)</i>	Single Proprietorship
	Partnership
	Co-operative
	NGO/CSO
	Others: _____

FORM B- PRODUCT INFORMATION SHEET

(Use one form for one product)

PRODUCT DETAIL	
Product Name:	
Product Description/Unique Selling Proposition	
Production Capacity Per Month:	
Lead Time Required (Upon receipt of Order)	

SIZE DETAILS		
Available Type (L x W x H in cm) or Weight or Packets (or as applicable)		

RAW MATERIAL DETAILS		
Name	Source (Mention local or imported)	Percentage

PRICING DETAILS	
Wholesale Price (Nu.)	Suggested Retail Price (Nu.)

CURRENT SALES LOCATIONS	
Location	Name of Distributor

PHOTOS OF THE PRODUCT

Note: Submit the product samples along with this duly filled in forms to DCSI for verification and validation by the committee.